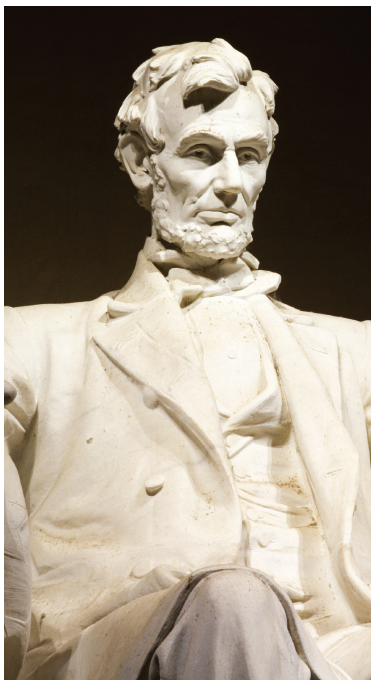




*15th Annual
Taxpayers Against Fraud
Education Fund*

AWARDS DINNER

Washington, DC
November 17, 2015

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Taxpayers Against Fraud
Education Fund

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**FIFTEENTH ANNUAL
TAXPAYERS AGAINST FRAUD EDUCATION FUND
AWARDS DINNER**

Marriott Marquis Hotel
Washington, D.C.
November 17, 2015

WELCOME

PATRICK BURNS and CLEVELAND LAWRENCE III
Co-Executive Directors
Taxpayers Against Fraud Education Fund

MASTER OF CEREMONIES

NEIL V. GETNICK
Chairman of the Board
Taxpayers Against Fraud Education Fund

LAWYERS OF THE YEAR AWARD

THE LAW FIRM OF JAMES HOYER, P.A.

PRESENTED BY MARLAN WILBANKS

WHISTLEBLOWER OF THE YEAR AWARD

PEGGY RYAN

PRESENTED BY ELIN BAKLID-KUNZ

LIFETIME ACHIEVEMENT AWARD

CHERYL ECKARD MEADS

PRESENTED BY PATRICK BURNS

LAWYERS OF THE YEAR

THE LAW FIRM OF JAMES HOYER, P.A.

When Peggy Ryan needed a lawyer to fight for her case, she was fortunate to find the law firm of James Hoyer. Together, Ryan and her legal team were instrumental in bringing a \$193 million dollar case against Endo Pharmaceuticals to resolution, while notching an important victory in the battle for full, fair, and justified whistleblower awards.

Chris and Judy Hoyer were fighting fraud even before the False Claims Act was revitalized in 1986. Judy was an assistant State Attorney (1976-77 and 1985-93) and assistant U.S. Attorney (1977-85). Chris was an Assistant U.S. Attorney in Tampa, Florida from 1975-1980, where he specialized in trying fraud and corruption cases. He then moved on to work on the U.S. Justice Department's Strike Force on Organized Crime, where he and Bill James prosecuted the undercover operation made famous in the movie "Donnie Brasco," starring Johnny Depp.

The fifteen-person James Hoyer law firm has successfully represented whistleblowers in hospital cases, military and defense contracting, for-profit education, and the pharmaceutical industry.

Peggy Ryan approached the James Hoyer law firm in 2005. She brought what at first appeared to be an airtight case of off-label sales of Lidoderm, a drug originally granted orphan status by the FDA because it was only approved to treat postherpetic neuralgia. Ryan provided her legal team with internal memos, emails, and other non-public information that detailed Endo's campaign to sell Lidoderm off-label.

The government was interested. Peggy Ryan wore a wire for the FBI on numerous occasions in 2005 and 2006, capturing senior Endo managers coaching the salesforce on how to sell the drug off-label. The evidence was insurmountable.

However, just as quickly as the Government first showed an interest in the case, it also seemed to lose interest. The case stalled, and Endo Pharmaceuticals continued to sell off-label.

The James Hoyer law firm knew it had to do something to change the dynamic. Their brainstorm was to create a professionally-produced video to present the evidence. The resulting 18-minute video did more than just

move the case forward – it was a short, powerful, and deeply compelling story board that got all the prosecution players singing out of the same hymnal. The case gained new traction and jolted forward.

In 2014, nine years after Peggy Ryan and the James Hoyer law firm originally filed suit, Endo Pharmaceuticals agreed to settle for \$193 million.

However, the story does not end there.

What came next is all too common in post-settlement negotiations – a low-ball award offer from DoJ, based on a decades-old memo that suggested that relator share percentages should hover near the statutory minimum in large cases. The joker in deck: there is no legal rationale for this position in the law.

The James Hoyer law firm knew that, and to her infinite credit, Peggy Ryan was not willing to settle for the minimum.

Armed with the same video that had breathed new life into the case, the Hoyer law firm took on DoJ to win a fair share for their client. What happened next is truly a paradigm shift in relator-share negotiations.

In a historic ruling, Judge Robert Kelly found that Peggy Ryan was entitled to a 24% share of the federal government's portion of the settlement. That reward amounted to \$33.6 million.

In his decision, Judge Kelly noted the unique contributions made by Ms. Ryan, and said she and her legal team's efforts were, "nothing short of extraordinary" and that the whistleblower was both the "spark and flame" of the investigation.

The exemplary work of the James Hoyer law firm ended the fraud and maximized the total settlement to the American people, and it set an important precedent in whistleblower share negotiations – a benefit that will pay dividends for years to come.

INTEGRITY IN GOVERNMENT AWARD

SENATOR CHUCK GRASSLEY

Senor Grassley works.

That's not just a campaign slogan, that's a set of values framed in Butler County, Iowa, where honesty and hard work are a way of life. You have to be honest in Iowa – you can't just pick up and move your land. People *know* you.

And because they know Chuck Grassley, the folks in Iowa have voted for him to represent their interests for more than 55 years, first as a state legislator (15 years), then as a Member of the U.S. House of Representatives (six years), and for the last 34 years as a United States Senator.

How many of us have listened to countless people from both parties pledge to fight waste, fraud and abuse?

Senator Chuck Grassley does more than talk. He has suited up to take on fraud in defense, health care, secondary education, the oil and gas industry, banking, and agriculture – and he has done it again and again, year after year.

The results speak for themselves – scores of billions of stolen dollars returned to the U.S. Treasury and to the American people in the form of better goods and services.

We all know that Senator Grassley is the father of the modern False Claims Act – one of those rarest of things in Washington – a piece of legislation that has worked even better than hoped, and which has had bipartisan support from the very beginning, thanks to the immense respect Senator Grassley has earned from both sides of the political aisle.

Every victory that every whistleblower, and every whistleblower lawyer, has ever notched is due to the foresight, hard work, and immense integrity of Senator Chuck Grassley.

It is with great pleasure that the staff, board, and membership of Taxpayers Against Fraud Education Fund give our 2015 “Honest Abe” Integrity in Government Award to Senator Chuck Grassley.

WHISTLEBLOWER OF THE YEAR AWARD

PEGGY RYAN

Peggy Ryan came to Endo Pharmaceuticals in 2002 as a Lidoderm sales representative, and she quickly became a rising star in the company. In her first years of employment, she was consistently a top salesperson, but became increasingly concerned when company executives pressured her to sell the drug off-label. She brought her concerns to management, but nothing changed.

After her attempts to raise concerns internally fell flat, Peggy reached out to the James Hoyer law firm. She walked them through the scope of the fraud, and turned over internal documents, voicemails, and emails that detailed Endo's aggressive off-label campaign.

Peggy filed a *qui tam* False Claims Act lawsuit in 2005, and the government initially showed considerable interest. Ryan was enlisted by the FBI to aid in its investigation and she wore a wire multiple times, providing government investigators and prosecutors with over 200 hours of recorded conversations with Endo employees and management.

Peggy's track record in sales, and solid personal reputation, allowed her broad access to top sales directors within the company. In 2005, Peggy Ryan recorded an Endo Specialty District Manager who declared that 90% of Lidoderm's prescriptions were for off-label uses. In 2006, she recorded a two-day session at Endo's corporate headquarters, where Endo's Lidoderm Product Manager stated that 97-98% of Lidoderm's prescriptions were for off-label use.

The case was airtight, and yet nothing seemed to move after the first few years of activity. For unknown reasons, all action seemed to grind to a halt while Endo continued to sell off-label.

Peggy Ryan continued to work at Endo, and continued to gather evidence to strengthen the case.

In 2010, Peggy and the James Hoyer firm produced an 18-minute documentary summarizing the case, the evidence, and the damages caused by Endo's conduct, and they distributed this video to every agent and prosecutor involved. Suddenly, the case lurched forward again, and after the case was unsealed, this same video was given to Endo to

provide visual evidence of the magnitude of the case that Peggy Ryan, the Hoyer law firm, and the U.S. Government had assembled.

In 2014, DoJ finally settled with Endo Pharmaceuticals for \$193 million. However, DoJ offered Peggy little more than the statutory minimum award for her efforts and contribution. After ten years of litigation, most whistleblowers would have been too exhausted - emotionally and financially - to fight. Not Peggy Ryan. She went to court.

On July 15, 2015, Judge Robert Kelly in the Eastern District of Pennsylvania ruled that Peggy Ryan was entitled to a 24% share. In explaining his decision to give Peggy close to the maximum whistleblower award, Judge Kelly called her contributions to the case “nothing short of extraordinary.”

“Without the assistance of Ryan, the probability of the Government recovering any funds for the FCA violations would have been slim at best.”

“Throughout the nine-year period . . . Ryan continually provided access behind the corporate walls of Endo. Ryan’s insider status, conferred by her employment with Endo, enabled the government investigatory team to recover evidence which would have otherwise been unobtainable,” Judge Kelly explained.

“In light of the nature and abundance of her contributions, it is clear that Ryan was indispensable to the investigation. . . An examination of the record exhibits that Ryan provided not only the spark for the investigation, but that she nurtured the flame at the darkest times when the possibility of a favorable outcome seemed most remote,” Kelly wrote.

Judge Kelly’s decision is not only a testament to Peggy Ryan’s commitment in this decade-long case, but also reaffirms the value of all whistleblowers, and the False Claims Act, as the government’s most powerful tools in fighting fraud.

It is with great pleasure that the staff, board, and membership of Taxpayers Against Fraud Education Fund give our 2015 Whistleblower of the Year Award to Peggy Ryan for her bravery, integrity, and tenacity in working to eradicate fraud from America’s health care system.

LIFETIME ACHIEVEMENT AWARD

CHERYL ECKARD MEADS

In 2002, GlaxoSmithKline (GSK) sent Cheryl Eckard to Cidra, Puerto Rico to oversee the remediation of its manufacturing plant there after the site received a Warning Letter from the FDA.

Cheryl, a chemist and pharmaceutical manufacturing quality control expert, found a factory gone wild - with outdated equipment, broken protocols, and management unable to achieve its mission.

Cheryl reported to GSK that the Cidra plant's water system was contaminated, that drugs were being made in unsterile conditions, and that drugs of different strengths were being mixed in the same bottle.

Cheryl urged GSK managers to take decisive action at Cidra, including shutting down the plant. She made a full report to the GSK Compliance Department, but they took no action. In fact, the only action they took was to fire her in May of 2003. After more than a decade of employment with GSK, management now deemed her position a "redundancy" in the company.

In October of 2003, Cheryl reported the conditions at the plant to the FDA in San Juan, Puerto Rico, which executed search warrants. Her *qui tam* law suit, filed in February 2004, included details about mixed-up products, super and subpotent diabetes drugs, an area of the factory used to make injectable drugs that was not sterile, air handling systems that misdirected the flow of product powders, a water system contaminated with microorganisms, and a host of other manufacturing and quality testing problems.

In 2005, partly based on Cheryl's information, the FDA seized \$2 billion worth of GSK drugs made at the Cidra plant – the largest seizure in FDA history.

In October 2010, GSK agreed to pay \$750 million (\$600 million civil and \$150 million criminal) to settle Eckard's False Claims Act allegations that it knowingly sold contaminated drugs made at Cidra. This settlement was the first time the False Claims Act had been successfully used to hold a drug maker accountable for violations of manufacturing standards.

As part of the federal settlement, Cheryl and her attorneys shared \$96 million, the largest award by a single whistleblower in a False Claims Act case.

Cheryl's story does not end there, of course.

Her work after the GSK settlement has been a ministry of forging alliances between whistleblowers and attorneys, and creating a lasting space for whistleblowers at Taxpayers Against Fraud Education Fund.

Cheryl is a TAFEF Board member, and a member of the TAFEF Whistleblower Board of Advisors. She spearheaded and hosted TAFEF's first whistleblower retreat in 2013, which brought former whistleblowers together to discuss their cases, their experiences, and how they could develop a system of support for other whistleblowers. She has also been instrumental in the founding of the Whistleblower Building Fund that seeks to establish a permanent mark in Washington, D.C. in support of whistleblower laws.

Above all, Cheryl is a fearless advocate for the law, and for those who risk their careers to do the right thing. There is no better example of her tenacity and moral authority in this arena, than a brief exchange she had with former Deputy Assistant Attorney General for the Commercial Litigation Branch, Mike Hertz, at the False Claims Act's 25th anniversary celebration at Main Justice in Washington, D.C. Hertz asked Cheryl if she would have taken \$5 million to do her case?

Cheryl's response was candid, and on point:

"You know," she said, "I have spent my entire life working on complicated systems. And there's always *someone* in every company who takes a working system and cuts, and cuts, and cuts, until it *fails*. That's exactly what GlaxoSmithKline did in Cidra, Puerto Rico. It would be a crime if DoJ took a working system like the False Claims Act, and cut and cut until the system failed."

Cheryl Eckard Meads understands the importance of incentivizing integrity, and she understands that strong laws save lives, save taxpayer dollars, and brings fraudsters to light.

After winning her record-setting case, Cheryl set out to "pay it forward."

Guided by faith, and the biblical admonition to do good work, Cheryl and husband Mike Meads created a foundation which has made substantial donations to strengthen and improve services at Mariners Baptist Hospital in Florida.

Cheryl and Mike are also significant donors to the Tim Tebow Foundation, which funds health care and orphanages around the world, and they have provided educational aid and assistance to children in the Florida Keys, Uganda, the Dominican Republic, and Guyana.

Cheryl and Mike have also provided funding to support a whistleblower documentary project, as well as to Taxpayers Against Fraud Education Fund, Habitat for Humanity, and various health, art, and community-building charities in Florida, where they live.

It is with great pleasure that the staff, board, and membership of Taxpayers Against Fraud Education Fund give our 2015 Lifetime Achievement Award to Cheryl Eckard Meads.

Taxpayers Against Fraud Education Fund wishes to recognize the generosity and support of the sponsor of tonight's Awards Dinner:



ProtectUS Law PLLC is a new Washington, D.C. law firm with a unique collaborative business model to invest in and co-counsel on FCA cases. Our members include successful whistleblowers, lawyers, investigators, and damages/financial analysis professionals.

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Stone & Magnanini LLP is a nationally recognized boutique litigation firm founded by David Stone and Robert Magnanini. Their practice focuses on representing whistleblowers in False Claims Act cases, and other types of complex litigation. Stone, who previously served as head of the False Claims Act Department at Boies, Schiller & Flexner LLP, has over twenty-five years experience in prosecuting whistleblower cases.

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With offices in Washington, D.C. and California, Tycko & Zavareei LLP focuses on representation of whistleblowers, consumer class actions, and other high-stakes public interest litigation.